

**ORDINANCE NO. G-2014-6**

**Introducing: Friend  
Committee: Finance**

**ORDINANCE OF THE EVANSVILLE COMMON COUNCIL AUTHORIZING  
THE CITY OF EVANSVILLE, INDIANA, TO ISSUE  
ONE OR MORE SERIES OF ITS "ECONOMIC DEVELOPMENT  
REVENUE BONDS (MEDICAL SCHOOL PROJECT)",  
AND APPROVING AND  
AUTHORIZING OTHER ACTIONS IN RESPECT THERETO**

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**WHEREAS,** the City of Evansville, Indiana (the "City"), the Evansville Redevelopment Commission ("ERC"), and Evansville Health Realty, LLC ("Developer"), have entered into an Economic Development Agreement (the "Project Agreement") relating to the redevelopment of a certain tract of property in the City of Evansville, Indiana (the "City") in the proximity of the existing Ford Center and the existing Evansville Auditorium and Convention Centre (the "Centre") (such tract referred to herein as the "Site"), such tract of property being more particularly described in the Project Agreement incorporated herein by reference, such redevelopment to consist of a new medical school and related facilities, as more particularly described in the Project Agreement (the "Project"); and

**WHEREAS,** the Site is located within the Downtown Redevelopment Area and Allocation Area previously established by the ERC (collectively, the "Downtown Redevelopment Area"); and

**WHEREAS,** as an inducement to the Developer to undertake the development of the Project, the City proposes, pursuant to the Project Agreement, to cause to be provided to the Developer certain funds from the sale of bonds to be issued by the City for use in the development of the Project, including certain funds from the sale of bond anticipation notes issued by the City in anticipation of the issuance of the Bonds for application to the cost of the Site; and

**WHEREAS,** the Evansville Economic Development Commission (the "EEDC") has rendered its report regarding the proposed financing of a portion of certain economic development facilities for the Project to be undertaken by the Developer; and

**WHEREAS,** the EEDC has heretofore (i) conducted a public hearing in accordance with Indiana Code 36-7-12-24; and (ii) adopted a resolution subsequent to such public hearing, which resolution has been transmitted hereto, finding that the financing of a portion of certain economic development facilities to be developed by the Developer through the issuance of one or more series of City of Evansville, Indiana, Economic Development Revenue Bonds (Medical School Project) (the "Bonds") complies with the purposes and provisions of Indiana Code 36-7-11.9 and Indiana Code 36-7-12 (collectively, the "Act"), and that such financing will be of benefit to the health, prosperity, economic stability and general welfare of the City and its citizens; and

**FILED**

**APR 23 2014**

*Jana Widner*  
CITY CLERK

**WHEREAS,** the EEDC has heretofore approved and recommended the adoption of this form of ordinance by this City Council (the "Council"), has considered the issue of adverse competitive effect and has approved the forms of and has transmitted for approval by the Council, the Financing Agreement, the Trust Indenture and the form of the Bonds (collectively hereinafter referred to as the "Financing Documents"); and

**WHEREAS,** the ERC has agreed to pledge property taxes on incremental increases in assessed value of real and personal property located within the Downtown Redevelopment Area (the "TIF Revenues") to the repayment of the Bonds; and

**WHEREAS,** the Council has the authority to pledge its distributive share of county option income tax revenues (the "COIT Revenues") to the repayment of all or a portion of the Bonds; and

**WHEREAS,** no member of this Council has any pecuniary interest in any employment, financing agreement or other contract made under the provisions of the Act and related to the Bonds authorized herein, which pecuniary interest has not been fully disclosed to the Council and no such member has voted on any such matter, all in accordance with the provisions of Indiana Code 36-7-12-16;

**NOW, THEREFORE, BE IT ORDAINED:**

**Section 1.** It is hereby found that the financing of a portion of the economic development facilities for the Project referred to in the Financing Documents previously approved by the EEDC and presented to the Council, the issuance and sale of the Bonds (one (1) or more series of which may or may not bear interest that is excludable from gross income for federal tax purposes) and the BANs, the use of the proceeds of the Bonds by the Developer for the financing of a portion of the costs of the Project, the payment of the Bonds from the TIF Revenues, the COIT Revenues (but only if such COIT Revenues are determined by the City Controller to be reasonably necessary in order to market the Bonds), and other sources pursuant to the Financing Agreement, and the securing of the Bonds under the Trust Indenture complies with the purposes and provisions of the Act and will be of benefit to the health, prosperity, economic stability and general welfare of the City and its citizens.

**Section 2.** At the public hearing held before the EEDC, the EEDC considered whether the Project would have an adverse competitive effect on any similar facilities located in or near the City. This Council hereby confirms the findings set forth in the EEDC's resolution, and concludes that the Project will be of benefit to the health, prosperity, economic stability and general welfare of the citizens of the City.

**Section 3.** The substantially final forms of the Financing Documents shall be incorporated herein by reference and shall be inserted in the minutes of the Council and kept on file by the Clerk of the Council (the "Clerk") or the City Controller. In accordance with the provisions of Indiana Code 36-1-5-4, two (2) copies of the Financing Documents are on file in the office of the Clerk for public inspection.

**Section 4.** The City shall issue the Bonds in one (1) or more series in a total maximum principal amount not to exceed Fifty-Two Million Dollars (\$52,000,000) (plus such additional principal amount not to exceed Five Million Dollars (\$5,000,000) if determined by the City Controller to be necessary to fund a debt service reserve fund for the Bonds), which Bonds shall mature no later than February 1, 2040, and shall bear interest at a per annum rate not exceeding seven percent (7%) per annum. The Bonds are to be issued for the purpose of procuring funds to pay the costs of a portion of the acquisition, construction, installation and equipping of the Project, as more particularly set out in the Financing Documents, incorporated herein by reference, which Bonds will be payable as to principal, premium, if any, and interest solely from the TIF Revenues, the COIT Revenues (but only if determined by the City Controller to be reasonably necessary in order to market the Bonds), and other sources pursuant to the Financing Agreement or as otherwise provided in the above-described Trust Indenture. The Bonds shall never constitute a general obligation of, an indebtedness of, or a charge against the general credit of the City.

**Section 5.** In addition to the Financing Documents, other documents such as an Official Statement or other disclosure document (an "Official Statement"), a Bond Purchase Contract or other purchase agreement and a Continuing Disclosure Undertaking (collectively with an Official Statement, the "Ancillary Finance Documents") in such form as may be agreed to by the Mayor of the City (the "Mayor") or the City Controller are hereby authorized and approved. The Mayor or City Controller, and each of them, is authorized to deem and determine an Official Statement as the nearly final Official Statement with respect to the Bonds for the purposes of SEC Rule 15c2-12, subject to completion in accordance with such rule and in a manner acceptable to the Mayor or the City Controller, and to place such Official Statement into final form as the Final Official Statement of the City. The Mayor or the City Controller is authorized to sign the Final Official Statement and by such signature approve its distribution.

**Section 6.** The Mayor, the City Controller and the Clerk are, and each of them is, authorized and directed to execute, attest and affix or imprint by any means the seal of the City to the Financing Documents and Ancillary Financing Documents approved herein on behalf of the City and any other document which may be necessary or desirable prior to, on or after the date hereof to consummate or facilitate the transaction, including the Bonds authorized herein. The Mayor and the City Controller are, and each of them is, hereby expressly authorized to approve any modifications or additions to the Financing Documents which take place after the date of this Ordinance without further approval of this Council or the EEDC if such modifications or additions do not affect the terms set forth in this Ordinance and the Financing Documents pursuant to Indiana Code 36-7-12-27(a). The approval of said modifications or additions shall be conclusively evidenced by the execution and attestation thereof and the affixing of the seal thereto or the imprinting of the seal thereon. The signatures of the Mayor and the Clerk on the Bonds may be either manual or facsimile signatures. The Clerk is authorized to arrange for delivery of such Bonds to the Trustee named in the Trust Indenture, and payment for the Bonds will be made to the Trustee named in the Trust Indenture and after such payment, the Bonds will be delivered by the Trustee to the purchasers thereof. The Bonds shall be originally dated the date of issuance and delivery thereof.

**Section 7.** The provisions of this Ordinance and the Financing Documents securing the Bonds shall constitute a contract binding between the City and the holders of the Bonds, and

after the issuance of the Bonds, this Ordinance shall not be repealed or amended in any respect which would adversely affect the rights of such holders so long as the Bonds or the interest thereon remains unpaid.


**Section 8.** The Council does hereby acknowledge and approve the pledge of the TIF Revenues and the COIT Revenues (but only if determined by the City Controller to be reasonably necessary in order to market the Bonds) to the payment of the Bonds pursuant to the Trust Indenture. Pursuant to IC 5-1-14-4, the pledge of the TIF Revenues and the COIT Revenues pursuant to the Trust Indenture is intended to be binding from the time the pledge is made, with such TIF Revenues and COIT Revenues (but only if determined by the City Controller to be reasonably necessary in order to market the Bonds) so pledged and thereafter received by the City to be immediately subject to the lien of the pledge without any further act, and the lien of such pledge to be binding against all parties having claims of any kind, in tort, contract, or otherwise against the City, regardless of whether the parties have notice of any such lien.

**Section 9.** The Council hereby finds that (a) the Project and the related financing assistance for the Project provided in the Project Agreement are consistent with the redevelopment plan for the Downtown Redevelopment Area; (b) the Developer would not develop the Project on the Site, and the Site could not be developed pursuant to the redevelopment plan, without the financing assistance provided in the Project Agreement; (c) the Project furthers the economic development and redevelopment of the Downtown Redevelopment Area; and (d) the Project will be of benefit to the health, prosperity, economic stability and general welfare of the City and its citizens.

**Section 10.** Notwithstanding any provisions of this Ordinance to the contrary, if the City Controller determines, with the advice of the City's financial advisor, that the issuance of bonds through the ERC or the Evansville Redevelopment Authority, in the form of direct debt and/or in the form of a lease financing (an "Alternative Financing"), for all or part of the Project, is preferable to the issuance of economic development revenue bonds to finance all or part of the Project as described herein, then this Ordinance shall constitute full approval by the Council of such alternative financing arrangement for all or such portion of the Project; provided, however, that the maximum amount of the Bonds issued pursuant hereto, in combination with the aggregate principal amount of any such Alternative Financings, shall not exceed the aggregate principal amount of Bonds approved herein; provided, further, that (a) the maximum interest rate on any such Alternative Financing shall not exceed seven percent (7.0%) per annum; (b) the final maturity date of any such Alternative Financing shall not be later than February 1, 2040; (c) the maximum term of any capitalized interest shall not exceed three (3) years; and (d) the Alternative Financing shall be subject to such redemption provisions as the City Controller shall determine on behalf of the City, but with any such debt callable in any event not later than ten (10) years after the date of issuance thereof.

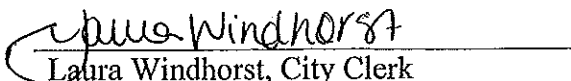
**Section 11.** This Ordinance shall be effective upon its passage by the Council and approval by the Mayor, in accordance with procedures as required by law.

The Common Council of the City of Evansville, Indiana, on the 12 day of May, 2014, on said day signed by the President of the Common Council and attested by the City Clerk.


  
John Friend, President of the Common  
Council, City of Evansville, Indiana

ATTEST: Laura Windhorst

Presented by me, the undersigned City Clerk of the City of Evansville, Indiana, to the Mayor of said city, this 13 day of may, 2014, at 3 o'clock p.m. for his consideration and action thereon.

  
Laura Windhorst, City Clerk  
City of Evansville, Indiana

Having examined the foregoing ordinance, I do now, as Mayor of the City of Evansville, Indiana, approve said ordinance and return the same to the City Clerk this 13<sup>th</sup> day of May, 2014 at 4:30 o'clock p.m.

  
Lloyd Winnecke, Mayor  
City of Evansville, Indiana